

EXCISE

HASSAN JEANNE M  
80 KINGSTON 304

06/20/81 112931 PRINTER: LI  
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(b)(1)(EP)

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ACTION ARA-15

INFO OCT-01 ADS-00 CIAE-00 DODE-00 PM-05 H-01 INR-10  
L-03 NSAE-00 NSC-05 PA-01 SP-02 SS-15 ICA-11  
TRSE-00 SPH-01 OMB-01 /071 W

-----075647 142015Z /44

P 141830Z JAN 80

FM AMEMBASSY KINGSTON

TO SECSTATE WASHDC PRIORITY 787

C O N F I D E N T I A L KINGSTON 0304

E.O.12065: GDS 1/14/86 (RILEY J) OR-E

TAGS: PINT, EFIN, ECON, JM

SUBJECT: PRIVATE SECTOR STRATEGY TO UNSEAT MANLEY

REF: KINGSTON 0146

1. (C ENTIRE TEXT.

2. SUMMARY. EMBOFFS MET ON JANUARY 10 WITH

|                              |                         |
|------------------------------|-------------------------|
| DEPARTMENT OF STATE A/CDC/MR |                         |
| REVIEWED BY <u>RG</u>        | DATE <u>25 JUN 1982</u> |
| PORTIONS DENIED AS INDICATED |                         |

WHO IS

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AS WELL AS

PRIVATE SECTOR ORGANIZATION OF JAMAICA (PSOJ) TO DIS  
CUSS THE COUNTRY'S FINANCIAL SITUATION AND THE PSOJ CALL  
FOR AN ADMINISTRATOR OF NATIONAL UNITY (SEE REFTEL)

DESCRIBED THE PSOJ SPONSORED BROAD  
CAST AS BUT ONE STEP IN A STRATEGY DESIGNED BY MANY PSOJ  
EXECUTIVES TO FORCE THE RESIGNATION OF PRIME MINISTER  
MANLEY IN ORDER AND IN TIME TO AVERT LIKELY SOCIAL DIS  
TURBANCES BROUGHT ON BY THE COLLAPSING ECONOMY OF JAMAICAN  
A MAJOR MEETING IS SCHEDULED FOR THE EVENING OF  
JANUARY 14 IN WHICH MEMBERSHIP PRESSURE IS EXPECTED TO  
FORCE THE PSOJ'S MODERATE PRESIDENT CARLTON ALEXANDER  
TO ENDORSE OR TO GIVE VOICE TO THE MAJORITY PSOJ  
VIEW THAT MANLEY MUST GO.

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3. [ ] RANKING MEMBER OF THE JAMAICAN BUS  
INESS COMMUNITY AND ONE NOT GIVEN TO RASH STATEMENTS  
OR ACTIONS. HE BELIEVES THAT THE FINANCIAL CRASH, (IE  
FOREIGN EXCHANGE PARALYSIS) OF THE JAMAICAN ECONOMY  
COULD WELL COME IN THE JANUARY TO MARCH PERIOD. AS A  
JAMAICAN HE KNOWS HOW PATIENT AND LONG SUFFERING THE  
PEOPLE ARE BUT HE FEARS THAT CIVIL UNREST COULD  
ERUPT AS AND WHEN MAJOR LAYOFFS TAKE PLACE. PUBLIC  
SECTOR LAYOFFS MAY OR MAY NOT OCCUR (SEE KINGSTON  
0266) IN THE SHORT TERM BUT THE ALREADY EVIDENT  
TOTAL UNAVAILABILITY OF FOREIGN EXCHANGE TO MANUFACTURERS  
COULD CAUSE MANY CLOSE DOWNS BY SMALL AND MEDIUM  
SIZED FIRMS WITHIN WEEKS: MOST JAMAICAN LIVE ON THE  
EDGE OF SUBSISTENCE AND IF MANY WAGE EARNERS ARE  
SUDDENLY UNEMPLOYED FURTHER DEPRIVATION COULD PRO  
VOKE THE PEOPLE BEYOND THEIR ENDURANCE.

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4. [ ] HE SPOKE FOR THE MAJORITY OF PSJ MEMBERS IN STATING THAT MANLEY, AND THE INCOMPETENCE HE AND HIS GOVERNMENT PERSONIFY MUST BE CASE ASIDE IF JAMAICA IS TO SURVIVE. HE CONFIDED THAT THE EXECUTIVE PSJ BOARD MEETING WHICH PRECEDED AND PRODUCED, THE CALL FOR NATIONAL UNITY WAS A STORMY SESSION DURING WHICH THE DEMAND WAS GENERAL THAT THE ORGANIZATION URGE THE PRIME MINISTER TO STEP DOWN. [ ]

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[ ] "IN HIS WISDOM" CHanneled THIS INTO CALMER LANGUAGE BY ARGUING THAT THE ORGANIZATION MUST NOT BE LED INTO PARTISAN POLITICAL POSTURE. THE FINAL PSJ STATEMENT INCLUDED THE ANNOUNCEMENT OF A SPECIAL GENERAL MEETING TO DISCUSS THE CURRENT ECONOMIC CRISIS ON THE EVENING OF JANUARY 14. [ ]

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[ ] A FAR STORMIER SCENE WAS EXPECTED AT THIS LARGER GENERAL MEETING AND THAT A MOTION FOR A EXPLICIT

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EXPLANATION THAT MANLEY RELINQUISH OFFICE COULD CARRY, CALRTON ALEXANDER NOTWITHSTANDING THE NEXT PHASE OF THE STRATEGY WOULD BE TO PRESS FOR NEW ELECTIONS.

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5. [ ] HIS VIEW THAT JLP OPPOSITION LEADER SEAGA WAS NOT EAGER FOR ELECTIONS TOO SOON, PREFERRING TO LET THIS GOVERNMENT TAKE ALL THE UNPOPULAR MEASURES WHICH THEIR MISMANAGEMENT HAS MADE UNAVOIDABLE AND THEREBY INCUR DESERVED UNPOPULARITY. THE JLP COULD THEN STEP IN WITH A POPULAR MANDATE SOMETIME AFTER JULY BY WHICH TIME THE PNP WOULD HAVE PRECIPITATED ITS OWN DEBACLE. [ ]

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[ ] CONCERNED THAT THIS SEQUENCE OF EVENTS HOWEVER PRACTICAL FROM A PURELY PARTISAN VIEWPOINT, CONTAINED DANGERS FOR THE WELLBEING OF THE NATION. HE FEARED DISTURBANCES BY THE UNEMPLOYED AND LOOKED TO THE LABOR UNIONS AS THE HOPEFUL VOICE OF THE PEOPLE DURING THIS CRISIS. THE UNIONS MIGHT BE ABLE TO CAPTURE AND DIRECT THE OUTPOUTINGS OF THE UNEMPLOYED AND BRING ABOUT THE NEEDED GOVERNMENT CHANGE. THE JLP WOULD HAVE TO RESPOND EVEN IF EVENTS ACCELERATED THEIR OWN SCHEDULED FOR A RETURN TO POWER IN ORDER TO AVOID VIOLENCE.

LAWRENCE

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